Import of coins

1684. SHRI CHIMANBHAI MEHTA: -Will the Minister of FINANCE be pleaded to state:

(a) the monetary value of imported coins and their weight in tonnes during the last three years and tho quality and price of raetalsused;

(b)whether such coinscould be produced in India in required quantities;

(c) what are the terms and conditions fixed for the import of coins on seller companies or manufacturing companies; abroad;

(d) whether Indian companies are Pre or have a viability to produce coins; if so, the reason for which the coins are imported; and

(e) what would be the import price for the raw or finished metal and the price India is paying for the coin blanks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRl JANARDHAN POOJARI) :(a) 20750 Metric Tonnes of Cupro-Nickel (75 per cent Copper and 25 per cent Nickel) coins were imported between 1985 and 1987 at *I* cost of about Rs. 140 crores. These coins tailing 4000 million pieces were in the Jenomination of Re. 1, 50 paise and 25 paise. The face value of these coins amoun-:ed to Rs. 287.5 crores.

(b) The requirements of coins in the country are met from the coins produced n the 3 Government Mints located at Bombay, Calcutta and Hyderabad. The X)tal output of these Mints in 19B2-83 vas 660 million pieces. As by then de-nand had outstripped production, it be-:ame necessary resort to imports, pen-ling augmentation of domestic production. As a result of tne various steps taken, production from the 3 Mints had reached 1892 million pieces in 1986-87. The tar-Set of production during this year is 2850 million pieces and this will increase fur-her-with the commissioning of the New Mint at NOIDA with an installed capacity of 200 million pieces next year. At that stage, it would be possible fo meet the entire demand from domestic production, thus obviating rne need for imports.

(c) Stringent specifications were laid down both for chemical composition and dimensions and other physical properties like hardness etc. Supply contracts provided for pre-shipment inspection, liquidity damages, warranty etc. Packing specifications, rate of delivery etc. were also specified in the contract. Before placing an order, the security arrangements in the firm were checked. Steps were taken to eliminate 'all possibilities of misutilisa-tion of coins and dies.

(d) Under the Coinage Act, 1906 the production of coins is vested in the Government. In 1982, when a sudden shortage developed, steps were taken to augment capacity and as if was anticipated that over the next two years only, there would be a gap between supply and demand, it was decided to meet it through imports after amending the Coinage Act, 1906, It would neither have been a feasible nor a profitable proposition to set up any new Mints for merely these urgent requirements for a period of a few years only. From next year again the output of the Mints would be adequate to meet the demand.

(e) At current prices, the metalcost would be around Rs. 37,410)- per metric Tonne (excluding custom duty). the price of importing blanks would be around Rs. 54,4711- per Metric Tonne. This is in clusive of the cost of coversion of the metal into finished blanks.

Difficulties fenced by ,the Hancttoon Power-loom and Mill Sectors

1685. SHRI CHIMANBHAI MEHTA: Will the Minister of TEXTILES be pleased to state:

(a) whether the new Textile policy has succeeded; if so. in what terms;

(b) what are the production figures of last year and current year of handloom, powerloom and mill sectors and what is the employment in these three sectors, sector-wise;

(c) what hurdles these sectors are 'facing and what are the guidelines of Government to remove them; and

(d) whether smuggled textiles are causing or aggravating the crisis in the textile industry; if so, what are the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR): (a) Since the announcement of the Textile Policv in June 1985, the textile industry has achieved the main objective of increasing production of cloth of acceptable quality at reasonable prices to meet the clothing requirements of a growing population.

(b) The production of cloth by mill sector, powerloom sector and handloom sector during 1986-87 and 1987-88 (April to September) is as follows;—

	1986-87	1987-88 April-Sept. (Estimated)
Mill Sector	3317	1538
Powerloom sector	6222	3199
Handloom sector	3449	790
TOTAL	12,988	6,527

Estimated employment in mill sector, powerloom sector and handloom sector is as under:—

Mill sector	12 lakh persons
Powerloom sector	40 lakh persons
Handloom sector	100 lakh persons

(c) The, textile industry as a whole is faced with problem of demand recession and high cotton prices. The Government is seized of these difficulties. Release of quota for export of cotton has been suspended so as to increase the availability of cotton for production of yarn. The matter of higher working capital for the industry has been taken up with the financial institutions. Government are taking necessaty measures to ensure the availability of yarn at reasonable prices to the handloom and the powerloom sectors.

(d) While Governmeat are aware that there is some smuggling of synthetic textiles, it is net possible to give specific figures about the quantum of smuggled goods.

Effect of drought on cotton production

1686. SHRI CHIMANBHAI MEHTA: Wiil the Minister of TEXTILES be pleaed to state;

(a) what is the estimated cotton production during the. current year and to what extent the drought has affected cotton production;

(b) whether the textile mills would ge the required quantity of cotton and if so, what are the details thereof;

(c) what are the details regarding the prices of cotton of different varieties in the local and international markets; and

(d) whether there is any conflict of interest in the encouragement given to the synthetic textile producers and cotton growers interests ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTLES (SHRI S. KRISHNA KUMAR) : (a) The total production of cotton in the country during 1987-88 is estimated at the same level as in 1986-87 *i.e.,* 95 lakh bales. As such the drought ha^ not significantly affected the overall production of cotton in the country.

(b) The total demand of cotton for mill consumption is estimated as 95 laks bales. This requirement will be met out of the carryover stocks from the previous cotton year and the production during the current year.

(c) A statement is attached indicating current domestic prices of cotton and international prices. *(See below).*

(d) No, Sir.